

RULE AND REGULATION 63  
TRUST FUND RELEASE FORMS FOR  
PREPAID FUNERAL BENEFITS CONTRACTS

FILED

FILED

95 AUG 28 AM 9:56

95 AUG 29 AM 11:41

SHARON FINEST  
SECRETARY OF STATE  
STATE OF ARKANSAS

VINCENT J. JACKSON II  
EXECUTIVE DIRECTOR  
ARKANSAS CODE REVISION COMMISSION

BY \_\_\_\_\_

TABLE OF CONTENTS

1. Purpose
2. Authority & Effective Date
3. Applicability and Scope
4. Forms Adopted
5. Severability

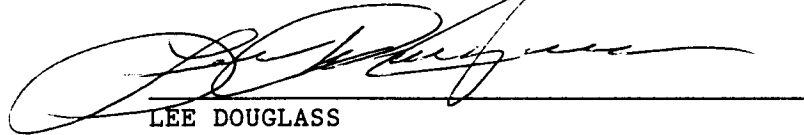
SECTION 1. PURPOSE. The purpose of this Rule is to adopt forms for use in release of trust fund proceeds by Sellers of Prepaid Funeral Benefits Contracts maintaining licensure with the Arkansas Insurance Commissioner ("Commissioner") pursuant to the provisions of Arkansas Act 852 of 1993.

SECTION 2. AUTHORITY & EFFECTIVE DATE. Authority for this Rule is given to the Insurance Commissioner for the State of Arkansas by Ark. Code Ann. §§23-61-108, 23-76-120, 25-15-204 (b), et seq., and Act 852 of 1993, effective on and after July 1, 1995. This Rule replaces Emergency Rule 63. This Rule shall be effective on September 1, 1995 upon statutory filing.

SECTION 3. APPLICABILITY AND SCOPE. This Rule shall apply to all persons engaged in the business of selling prepaid funeral benefits contracts under Ark. Code Ann. §§23-40-101, et seq., as amended by Act 852 of 1995. Pursuant to a consent judgment entered into by the Arkansas Insurance Department in Denver Roller, Inc., et al v. Lee Douglass, Arkansas Insurance Commissioner, et al, Sixth Division, Chancery Court of Pulaski County, #IJ-95-3835 (1995), Section 12 of Act 852 of 1995, amending Ark. Code Ann. §23-40-122, is not applicable to prepaid funeral benefit contracts executed prior to July 1, 1995. The provisions of this Rule shall apply to all prepaid funeral benefit contracts entered into on or after September 1, 1995, or immediately thereafter upon signature by the Commissioner and filing.

SECTION 4. FORMS ADOPTED. On and after September 1, 1995, permittees under Ark. Code Ann. §§23-40-101, et seq., selling Prepaid Funeral Benefits Contracts shall duplicate and use the Forms attached as exhibits to this Rule for trust fund releases, as applicable. They are Seller's Affidavit of Contract Performance: Request To Withdraw Funds or Proceeds, Form FNL-C1; Seller's Affidavit for Cancellation, Form FNL-C2; Affidavit and Request of Purchaser to Cancel, Form FNL-C3; and Instructions for Record Keeping.

1 SECTION 5. SEVERABILITY. Any section or provision of this Emergency  
2 Rule held by a court to be invalid or unconstitutional will not affect  
3 the validity of any other section or provision of this rule.

4  
5  
6  
7 

8 LEE DOUGLASS  
9 INSURANCE COMMISSIONER  
10 ARKANSAS INSURANCE DEPARTMENT

11 8-14-95

12  
13  
14 DATE

15  
16  
17  
18 CONTACT PERSON: Booth Rand, Associate Counsel, Arkansas Insurance  
19 Department, 1123 South University Avenue, Little Rock, Arkansas 72204;  
20 (501) 686-2999.